

Dear Sir or Madam,

I urge you to DENY the proposed XM - Sirius merger. Mr. Mel Karmazin has attempted to sell this merger to whoever will listen with somewhat deceptive statements, designed to mislead. One of his biggest selling points is "increased diversity of programming". However, I don't believe merger is necessary to increase the programming diversity. In fact, because merger will likely lead to duplication of the most popular channels on both incompatible platforms, there would likely be LESS diversity after a merger.

Mr. Karmazin claims that he will retain compatibility with existing receivers, but he's ALREADY broken that promise. A large number of existing Sirius receivers have a 128 channel limit. Sirius is already broadcasting approximately 135 channels. Currently the channels hidden from older receivers predominately carry programming aimed at the Canadian market, but if Sirius adds more channels after a merger for the purpose of duplicating popular XM channels, they will have to expand this "shell game", hiding even more channels from the view of many of their existing subscribers.

In the past, many times the FCC has acted to promote healthy competition. When cellular telephone was in its infancy, the FCC licensed "A" and "B" carriers in each market. While recently, certain mergers have been approved in the cellular industry, the FCC has not allowed ALL cellular carriers to merge to compete against wireline carriers, nor do I believe the FCC should allow such a merger.

However, this is exactly the type of merger that Mr. Karmazin, Sirius and XM are asking for. In a similar way, the FCC, in granting SDARS licenses, disallowed a single entity from owning both, to promote healthy competition. Already consumers have seen positive results from that competition. Originally, XM included commercial messages on many of their music channels; Sirius did not. The competitive pressure of perceived consumer preference for "no commercials" eventually caused XM to remove commercials from their music channels, which I believe most subscribers, including me, saw as a positive event. When XM lost arbitration to Clear Channel and was forced to reinstate commercials on a few channels, they were very quick to create non-commercial duplicate channels so even if they could no longer claim "all commercial free music", they could claim "most commercial-free music". Allowing merger would remove this competitive pressure.

Mr Karmazin claims that Sirius and XM compete with AM and FM broadcasters. In my opinion, this "competition" is similar to "competition" between cellular and wireline telephone carriers. Just as it would be painting with excessively large brushstrokes to say that cellular and wireline

phones are in direct competition, since each possesses unique, basic advantages that the other does not, satellite and terrestrial radio each offer the listener different advantages. Terrestrial radio offers the possibility of localized programming, while satellite radio offers wide area coverage where population densities are too low to support diverse terrestrial offerings.

I believe that many SDARS subscribers who favor merger do so in the hope that they'll be able to receive programming that is on the "other" service, such as getting both NFL football and MLB baseball with a single receiver. This would not be a problem, if the SDARS providers had done what they agreed to do when their licenses were granted: develop and market an interoperable receiver. As a subscriber to both systems, I would definitely buy such a receiver, if it were available. Right now my situation is definitely not optimal, two receivers (XM and Sirius) in the car and two receivers (XM and Sirius) in my home stereo setup.

I urge the FCC to promote diversity by denying the merger, but to promote compatibility by phasing in interoperability requirements for SDARS receivers sold in the US.

Thank you for your consideration,
Timothy P. Stockman